

MINUTES, LIMESTONE COUNTY COMMISSION, MAY 23, 2014

The Limestone County Commission met in a special joint meeting today, at 10:00 a.m. at the Clinton Street Courthouse Annex, 100 South Clinton Street, Athens, Alabama.

Chairman Menefee called the meeting to order and welcomed the Athens City Council to the joint county-city meeting.

PRESENT: Steve Turner and Ben Harrison. Absent: Gary Daly and James W. "Bill" Latimer. Stanley Menefee, Chairman presided.

The City Council meeting was called to order by Council President Harold Wales. Present: Chris Seibert, Harold Wales, Jimmy Gill, Joseph Cannon and Wayne Harper. John Hamilton was present and recorded the minutes of the meeting for the City of Athens in the absence of City Clerk, Annette Barnes.

The meeting began with the Pledge of Allegiance.

MOTION was made by Ben Harrison and seconded by Steve Turner to approve the following resolution:

RESOLUTION CONCERNING THE AMENDMENT OF A PURCHASE AND SALE AGREEMENT BETWEEN LIMESTONE COUNTY, ALABAMA, THE CITY OF ATHENS, ALABAMA, AND ASAHI KASEI PLASTICS

WHEREAS, the Limestone County Commission is the governing body of Limestone County, Alabama; and,

WHEREAS, Limestone County, Alabama, entered into a Purchase and Sale Agreement with the City of Athens, Alabama, and Asahi Kasei Plastics North America, Inc., ("Asahi"), dated and effective March 6, 2014, for the purchase by Asahi from Limestone County, Alabama, and the City of Athens, Alabama, approximately fifty (50) acres in Elm Industrial Park for the purchase price of \$800,000.00; and,

WHEREAS, Asahi has desired to reconfigure the property to be purchased to meet its desired and intended construction, use, and operation of a facility upon the said property, which reconfiguration and revised legal description increased the size of the property by one (1) acre; and,

WHEREAS, Asahi desires to purchase the now approximate fifty-one (51) acres of the property for the increased purchase price of \$816,000.00; and,

WHEREAS, the Limestone County Commission specifically finds that the above price would be an adequate and fair consideration for the property and constitutes the fair market value for the property, which property, in whole in part, has been subject to an existing Farm Lease dated September 26, 2012; and,

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WHEREAS, Asahi has given further notice to the Limestone County Commission of its desire to obtain the benefit any available State Industrial Development Authority Industrial Development Grant; and,

WHEREAS, such SIDA Grant would require fee simple ownership of the property to remain in a qualifying governmental entity, and the Industrial Development Board of the City of Athens, Alabama, ("IDB"), is such a qualifying entity; and,

WHEREAS, Asahi has notified Limestone County and the City of Athens of its desire to further amend the Purchase and Sale Agreement to allow for the City of Athens and Limestone County to transfer the property to the IDB and to allow the IDB and Asahi to enter into a Lease Purchase Agreement that will provide, among other things, for the lease of the property from the IDB to Asahi, for the payment of the purchase price for the property to Limestone County and the City of Athens in the form of a lump sum rental payment, for an option for Asahi to acquire fee simple title to the property at a required nominal sum upon certain terms and conditions having been met, and pursuant to such other terms as may be required to allow Asahi to obtain the benefit of any available SIDA Grant; and,

WHEREAS, a proposed Amendment to the said Purchase and Sale Agreement has been presented to the Limestone County Commission, a copy of which, as currently proposed, is attached hereto as "Exhibit A", and which sets forth therein the terms of said Amendment; and,

WHEREAS, the attached Amendment to the Purchase and Sale Agreement, as currently proposed, further provides for the amendment of the Purchase and Sale Agreement to allow for the sale of the property to the IDB and the IDB's lease to Asahi; and,

WHEREAS, the Limestone County Commission continues to find that Asahi will purchase the property for the intended construction and operation of a new manufacturing facility of approximately 100,000 square feet and which manufacturing facility will provide new jobs within Limestone County; and,

WHEREAS, the sale of the property is no longer needed for public purposes and is authorized by §94.01 of the Constitution of the State of Alabama of 1901 as well as under the general powers of the Limestone County Commission; and,

WHEREAS, a motion was made by Commissioner _____ and seconded by Commissioner _____ to approve the proposed amendments to the Purchase and Sale Agreement; and,

WHEREAS, upon said motion and a second having been made in an Open Meeting of the Limestone County Commission on the 23rd day of May, 2014, with discussion had thereon and a vote having been taken, upon which vote said motion carried by a vote of ____ to ____ in favor;

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NOW, THEREFORE, BE IT RESOLVED BY THE LIMESTONE COUNTY COMMISSION, that the Chairman is authorized to execute an Amendment to the Purchase and Sale Agreement by and between Limestone County, the City of Athens, and Asahi, subject to the approval of legal counsel, and upon such other terms and conditions as may be necessary and appropriate to accomplish same, but for no less than the purchase price and subject to the terms herein or previously resolved; and,

BE IT FURTHER RESOLVED, that the Chairman of the Limestone County Commission and its Administrator shall be authorized to further execute any and all documents and instruments that may be necessary to complete the Amendment of the said Purchase and Sale Agreement and any other such documents herein contemplated for the performance of the actions herein resolved, including executing such agreement(s) between Limestone County, the City of Athens, and/or the City of Athens Industrial Development Board concerning operational details, logistics, and the allocation of costs and responsibilities between the City of Athens, Limestone County, and/or the City of Athens Industrial Development Board, and to modify that existing Farm Lease dated September 26, 2012 so that the area subject to said lease shall be reduced by and not include the property set forth herein, subject to the approval of legal counsel, that are consistent with and necessary to carrying out the transactions contemplated by this Resolution.

The authority granted herein shall be in force and effect immediately upon passage of this Resolution.

ADOPTED AND APPROVED this 23rd day of May, 2014.

Stanley Menefee, Chairman
Limestone County Commission

ATTEST:

County Clerk/Administrator

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

This First Amendment to Purchase and Sale Agreement (the "Amendment") is made and entered into as of the ____ day of May, 2014, by and between the CITY OF ATHENS, ALABAMA, an Alabama municipal corporation and LIMESTONE COUNTY, ALABAMA, a political subdivision of the State of Alabama (collectively, "Seller") and ASAHI KASEI PLASTICS NORTH AMERICA, INC., a Michigan corporation ("Buyer").

The circumstances underlying the execution of this Amendment are as follows:

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A. Buyer and Seller are parties to a certain Purchase and Sale Agreement dated as of March 6, 2014 (the "Purchase Agreement"), covering the sale and purchase of approximately 50 acres of vacant land located in the Elm Industrial Park, all as more fully set forth in the Purchase Agreement.

B. The parties wish to amend the Purchase Agreement as more particularly set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller and Buyer agree as follows:

1. Defined Terms. Capitalized terms which are not defined herein shall have the meanings ascribed to them in the Purchase Agreement.

2. Reconfiguration of Real Property. The legal description of the Real Property (shown in Exhibit A of the Purchase Agreement) is hereby replaced and amended so that the legal description of the Real Property is as follows:

Lot No. 1 of the Final Plat of a Resubdivision of Lot 1 of North Elm Industrial Park, recorded at Plats Book H, Page 412 in the Office of the Judge of Limestone County, Alabama

3. Purchase Price. The Purchase Price is hereby amended to be Eight Hundred Sixteen Thousand and 00/100 Dollars (\$816,000.00).

4. Updated Title Commitment. The Parties have received a title commitment from the Title Company with an effective date of March 21, 2014 and identified as File No. 01162.0069.012-14 (the "Title Commitment"). Promptly following execution of this Amendment, Buyer shall order an update of the Title Commitment from the Title Company (the "Updated Title Commitment").

5. Updated Survey. Seller has provided Buyer with an ALTA/ACSM survey prepared by Morell Engineering dated April 10, 2014 (the "Survey"). Seller shall have ten (10) days following receipt of the Updated Title Commitment to provide an update of the Survey (the "Updated Survey") which depicts the reconfiguration of the Real Property and which is otherwise in compliance with the requirements of Section 5(B) of the Purchase Agreement.

6. Objections to Updated Title Commitment and Updated Survey. Buyer shall have a period of fifteen (15) days following receipt of the last of the Updated Title Commitment and Updated Survey to provide any Title Objections or Survey Objections as permitted in Section 5(A)(ii) and 5(B)(ii) of the Purchase Agreement.

7. Lease of Property. The Parties have identified that a grant in the amount of up to \$150,000.00 may be available from the State Industrial Development Authority's Industrial Development Grant Program (Site Development) (the "SIDA Grant"). In order to assist in the application for the SIDA Grant, Seller (and/or the Industrial Development Board of the City of Athens, Alabama (the "IDB")) must retain fee simple ownership of the Property until such time as the development of the Property has been completed.

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To accommodate Buyer's desire to obtain the SIDA Grant, at Buyer's request, Sellers shall transfer the Real Property to the IDB, and the IDB and Buyer shall enter into a lease agreement at Closing (the "Lease Agreement") which will provide, among other things, for the following: (i) the lease of the Property to Buyer; (ii) the payment of the Purchase Price to Seller (and/or the IDB) in the form of a lump sum rental payment; (iii) an option for Buyer to acquire fee simple title to the Property for the sum of \$100.00 upon written notice to the IDB; (iv) the escrow with the Title Company of the Warranty Deed transferring fee simple title to the Property to Buyer; (v) the terms and conditions by which the IDB will apply for the SIDA Grant and pay any grant proceeds to Buyer; and (vi) such other terms and conditions as the Parties shall require. If Buyer wishes to enter into the Lease Agreement, it shall provide written notice of the same to Seller not less than thirty (30) days prior to Closing.

8. Ratification of Purchase Agreement. The parties acknowledge and agree that except as expressly modified by this Amendment, the Purchase Agreement remains in full force and effect and is hereby ratified in all respects.

9. Signature. To facilitate execution of this Amendment, the parties may execute this Amendment in counterpart and exchange signatures by facsimile transmission or by electronic delivery of a PDF copy of the executed Amendment, which facsimile or PDF copy shall be deemed valid and binding.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Purchase and Sale Agreement as of the day and year first written above.

SELLER:

CITY OF ATHENS, ALABAMA,
an Alabama municipal corporation

By: _____
Name: _____
Its: _____

Attest: _____
City Clerk

LIMESTONE COUNTY, ALABAMA,
a political subdivision of the State of Alabama

By: _____
Name: _____
Its: _____

Attest: _____
County Administrator

BUYER:
ASAHI KASEI PLASTICS NORTH AMERICA, INC.,
a Michigan corporation

By: _____
Name: _____
Its: _____

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The Chairman asked if there was any discussion. There was no discussion. The Chairman called the roll. Steve Turner, aye and Ben Harrison, aye. Motion carries unanimously.

Councilmember Chris Seibert introduced an Ordinance regarding a purchase and sale agreement with Asahi Kasei Plastics North America, Inc. (On file for review upon request to the Athens City Clerk)

MOTION was made by Councilmember Jimmy Gill to suspend the rules and seconded by Councilmember Joseph Cannon. Motion carried 5/0.

Councilmember Wayne Harper seconded the motion for the above stated Ordinance. Motion carried 5/0.

MOTION was made by Steve Turner and seconded by Ben Harrison to approve the following resolution:

RESOLUTION CONCERNING THE CONTRIBUTION OF MONEY TO ASAHI KASEI PLASTICS AS AN INCENTIVE TO CONSTRUCT AND OPERATE A MANUFACTURING FACILITY IN LIMESTONE COUNTY

WHEREAS, the Limestone County Commission is the governing body of Limestone County, Alabama; and,

WHEREAS, the Limestone County Commission has entered into a Purchase and Sale Agreement with the City of Athens, Alabama, and Asahi Kasei Plastics North America, Inc., ("Asahi"), for Asahi's purchase of approximately fifty-one (51) acres of property within the City of Athens, Alabama, in Limestone County, Alabama, located in the area of Airport Road and Wilkinson Street in the City of Athens, but only approximately thirty (30) acres of which, more or less, is jointly owned by Limestone County and the City of Athens; and,

WHEREAS, the closing of the purchase and sale of the property pursuant to the Purchase and Sale Agreement was contingent upon a subsequent Infrastructure Agreement being negotiated and entered into between the parties; and,

WHEREAS, the parties, through its representatives and counsel, have discussed and negotiated proposed terms of such an Infrastructure Agreement, a copy of which, as currently proposed, titled "Infrastructure Construction and Funding Agreement", is attached hereto as "Exhibit A"; and,

WHEREAS, under said Agreement Limestone County will contribute its share of the proceeds in the amount of \$248,000.00 from the sale of the property to Asahi for railroad improvements to the Elm Industrial Park, will contribute grant matching funds in the amount of \$50,000.00 for the receipt of a grant in the amount of \$250,000.00 from

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the Alabama Department of Economic and Community Affairs, which grant funds will be further applied to the said railroad improvements, will contribute a sum for payment of the real estate commission on the sale of the property in the approximate amount of \$48,960.00, and will contribute its match funding for a TVA InvestPrep Program Grant previously approved and adopted by the Limestone County Commission on January 6, 2014, for the construction of an industrial access road into the Elm Industrial Park, which match funding is in the amount of \$131,808.00, for a total contribution of approximately \$479,728.00 to the Asahi project; and,

WHEREAS, the total budget for all of the infrastructure improvements is approximately \$2.4 million, and the other expenses for the infrastructure expenses are expected to be reimbursed through various grants and/or paid by the City of Athens or through in kind services performed by the City of Athens; and,

WHEREAS, by considering the aforementioned Infrastructure Agreement and contribution, the Limestone County Commission seeks to provide a public benefit to the persons and citizens of Limestone County, Alabama, based upon an expected increase of jobs, commerce, taxes collected, revenue, and continued economic and industrial development resulting from entering such Agreement that will give something of value to the benefit of Asahi; and,

WHEREAS, the Limestone County Commission has determined that the expenditure of public resources and the giving of something of value for the benefit of Asahi under the proposed Infrastructure Agreement will serve a valid and sufficient public purpose, notwithstanding any incidental benefit to the private entity, or any other public body, and will provide a public benefit to the persons of Limestone County, Alabama, based upon an increase of jobs, commerce, taxes collected, revenue, and continued economic and industrial development resulting therefrom; and,

WHEREAS, prior to the execution of this Resolution, notice that a special meeting would be held by the Limestone County Commission jointly with the City counsel for the City of Athens, Alabama, on May 23, 2014, in the Clinton Street Annex, located at 100 South Clinton Street, Athens, Alabama, 35611, was published in the Athens News Courier, a newspaper of general circulation in Limestone County at least seven (7) days prior to; and,

WHEREAS, a motion was made by Commissioner _____ and seconded by Commissioner _____ to approve the proposed Infrastructure Construction and Funding Agreement and for the Limestone County Commission to approve same and the contributions to the project provided for therein; and,

UPON SAID MOTION AND A SECOND having been made in an Open Meeting of the Limestone County Commission on the 23rd day of May, 2014, with discussion had thereon and a vote having been taken, upon which vote said motion carried by a vote of ____ to ____;

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NOW, THEREFORE, BE IT RESOLVED BY THE LIMESTONE COUNTY COMMISSION that the Chairman is authorized to enter into an Infrastructure Construction and Funding Agreement between the City of Athens, Limestone County, and Asahi, subject to the approval of legal counsel, upon such other terms and conditions as may be necessary and appropriate to accomplish same, but for no more than the substantive terms and contribution herein resolved; and,

BE IT FURTHER RESOLVED, that the Chairman of the Limestone County Commission and its Administrator shall be authorized to further execute any and all documents and instruments that may be necessary to complete the Infrastructure Construction and Funding Agreement and any other such documents herein contemplated for the performance of the actions herein resolved, including executing such agreement(s) between Limestone County, the City of Athens, Asahi, and/or any other such entity deemed an essential party thereto concerning the operational details, logistics, and the allocation of costs and responsibilities between the City of Athens, Limestone County, Asahi, subject to the approval of legal counsel, that are consistent with and necessary to carrying out the transactions contemplated by this Resolution.

The authority granted herein shall be in force and effect immediately upon passage of this Resolution.

ADOPTED AND APPROVED this 23rd day of May, 2014.

Stanley Menefee, Chairman
Limestone County Commission

ATTEST:

County Clerk/Administrator

INFRASTRUCTURE CONSTRUCTION AND FUNDING AGREEMENT

THIS INFRASTRUCTURE CONSTRUCTION AND FUNDING AGREEMENT (this "Agreement") is made as of the ____ day of _____, 2014 (the "Effective Date") between and among **CITY OF ATHENS, ALABAMA**, an Alabama municipal corporation (the "City"), **LIMESTONE COUNTY, ALABAMA**, a political subdivision of the State of Alabama (individually, the "County" and collectively with the City, "Sellers"), and **ASAHI KASEI PLASTICS NORTH AMERICA, INC.**, a Michigan corporation (the "Company"). Sellers and the Company are each sometimes referred to herein as a "Party" or collectively, the "Parties."

WHEREAS, Sellers are the owners of that certain vacant real property located in Limestone County, City of Athens, State of Alabama, in the Elm Industrial Park, as more particularly described on Exhibit A, (the "Property").

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WHEREAS, the Company is exploring options in several states for the development of a new manufacturing facility with the following characteristics: (a) an approximately 120,000 square foot building improved with warehouse, process and office space; (b) outdoor rail yard to accommodate approximately 25 rail cars; (c) employee parking and loading docks; (d) storm water detention area; and (e) approximately 165,000 square feet of outdoor space for truck and container storage (collectively, the "Project").

WHEREAS, the Company is considering siting the Project on the Property and in furtherance thereof, the Parties have entered into that certain Purchase and Sale Agreement, dated March 6, 2014 (the "Purchase Agreement").

WHEREAS, in order for the Property to be economically and operationally viable for the Project, multiple infrastructure improvements are required, consisting of the extension of certain rights of way/public roadways, a sewer line, a water line, a gas line, electric lines, and a rail line, all along easements and other real property owned by Sellers, or one of the Sellers) (such improvements, as are more fully described below in Section II and Exhibit B, are collectively referred to herein as the "Infrastructure Improvements").

WHEREAS, in order to induce the Company to site the Project on the Property, the Sellers have offered to design, construct and fund the Infrastructure Improvements on the terms and conditions set forth in this Agreement.

WHEREAS, in order to induce the Sellers to undertake the Infrastructure Improvements, the Company is willing to commit to site the Project on the Property, make a minimum capital investment in the Project and create a specified number of jobs in connection with the Project on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter contained, the adequacy and sufficiency of which the Parties hereby agree, the Sellers and the Company agree as follows:

SECTION I RECITALS

1.1 The foregoing recitals are hereby incorporated into and made a substantive part of this Agreement by reference and shall be binding upon the Parties.

SECTION II DEFINITIONS

The capitalized terms used throughout this Agreement shall have the definitions as set forth below or as defined elsewhere in this Agreement:

2.1 "Acknowledging Party" shall mean Athens Utilities, an instrumentality/department of the City of Athens, Alabama, on behalf of its electric department, gas department, and water services department.

2.2 "ADECA" shall mean the Alabama Department of Economic and Community Affairs, or successor agency thereto.

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2.3 “Closing Date” shall mean the date that the Company acquires the Property, and shall otherwise have the same definition as set forth in the “Purchase and Sale Agreement”, dated March 6, 2014, and entered into by the Sellers and the Company or, if applicable, enters into a lease for the Property with the Industrial Development Board of the City of Athens, Alabama.

2.4 “Contingent Employee” means a person: (a) who is not being paid directly by the Company but is employed at the Project for not less than 36 hours per work week; and (b) who is eligible, upon direct employment by the Company to participate under such benefit plans as are generally applicable to employees holding positions of like kind and character within the Company.

2.5 “CSX” shall mean CSX Corporation.

2.6 “Electric Improvements” shall mean the extension of the existing electric transmission lines from their current terminus at approximately the southwest corner of the Property, along and within the boundaries Road Improvements (and/or any adjacent utility easement or other real property owned by Sellers, or one of them) and to the point designated as “electric transformer” on the Property, all as depicted on the Site Plan. The Electric Improvements shall be above ground and shall not include any transformers or other electric supply equipment on the Property.

2.7 A “Full-Time Employee” shall mean a person: (a) who (i) is being paid directly by the Company and is employed at the Project for not less than 36 hours per work week; (ii) whom the Company identifies as its employee to the U.S. Internal Revenue Service, the Alabama Department of Revenue or the Tennessee Department of Revenue on returns or reports filed with the foregoing; and (iii) who is eligible to participate under such benefit plans as are generally applicable to employees holding positions of like kind and character within either the Company within the United States of America; (b) a Contingent Employee; or (c) two Part-Time Employees. A Full-Time Employee shall not include unskilled temporary labor or construction workers.

2.8 “Gas Improvements” shall mean the extension of the four inch gas line from its current terminus at approximately the southwest corner of the Property, along and within the boundaries of the Road Improvements (and/or any adjacent utility easement or other real property owned by Sellers, or one of them) and to the point on the west Property line designated as “utility hookup point”, all as depicted on the Site Plan.

2.9 “Infrastructure Components” shall mean the individual elements of the Infrastructure Improvements, including the Electric Improvements, the Gas Improvements, the Railroad Improvements, the Road Improvements and the Utility Improvements.

2.10 “Laws” shall mean all applicable federal, state and local laws, codes, regulations, ordinances, standards and guidance documents.

2.11 “Part-Time Employee” means a person: (a) who is being paid directly by the Company but is employed at the Project for 20 hours or fewer per work week; and (b)

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whom the Company identifies as its employee to the U.S. Internal Revenue Service, the Alabama Department of Revenue or the Tennessee Department of Revenue on returns or reports filed with the foregoing.

2.12 "Placed in Service" shall mean the state or condition of readiness and availability for the purposes for which an item is intended, and, where applicable, available for use by the general public.

2.13 "Road Improvements" shall mean a public roadway, which is at least 30-feet wide, of substantially the same quality and durability as existing Wilkinson Street (immediately south of its current terminus at the southwest corner of the Property), extending from Wilkinson Street from its current terminus at the southwest corner of the Property to the south line of the planned Airport Road right-of-way (at the northwest corner of the Property), as depicted on the Site Plan. The term "Road Improvements" shall also mean a public roadway of substantially the same quality and durability as existing Wilkinson Street, extending along Airport Road from its existing crossing with CSX railroad to its new intersection with Wilkinson Street, as depicted on the Site Plan.

2.14 "Site Plan" shall mean that plan attached hereto as Exhibit B depicting the Property, approximate location of improvements on the Property, and the connection point of the Infrastructure Improvements.

2.15 "Term" shall mean the period commencing on the Effective Date and ending on the day that is ninety (90) days after the last day of Project Year 10, as that term is defined in Section 4.2, unless earlier terminated pursuant to the terms of this Agreement.

2.16 "Utility Improvements" shall mean the extension of the 12-inch water line and the 12-inch sanitary sewer line from their current termini at approximately the southwest corner of the Property, along and within the boundaries of the Road Improvements (and/or any adjacent utility easement or other real property owned by Sellers, or one of them) and to the point on the west Property line designated as "utility hookup point," all as depicted on the Site Plan.

2.17 "Railroad Improvements" shall mean a railroad extension running from the CSX branch line (west of the Property and intersecting Airport Road), in an easterly direction along the south side of Airport Road, crossing Wilkinson Street, and ending at the eastern edge of the right of way of Wilkinson Street, as substantially depicted on the Site Plan.

2.18 "Company Railroad Improvements" shall mean a railroad extension running from the eastern edge of the right of way of Wilkinson Street to the western boundary of the Property, as substantially depicted on the Site Plan. The Company Railroad Improvements will be located on real property owned by the City and/or County.

2.19 The phrase "employed at the Project" shall mean, with respect to any Contingent Employee, Full-Time Employee, or Part-Time Employee, an employee who is physically

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based at the Project on the Property and spends over 90% of his/her employment working at the Project on the Property.

SECTION III SELLERS' OBLIGATIONS

3.1 Design and Construction of the Infrastructure Improvements.

(a) The Sellers shall cause: (i) the design, construction, substantial completion and final completion of the Infrastructure Improvements in accordance with the schedule set forth in this Section 3.1; (ii) the Infrastructure Improvements to be designed and constructed (including but not limited to procurement of contracts) in accordance with all Laws; (iii) the substantial completion of the (A) Road Improvements to Wilkinson Street, Gas Improvements, Electric Improvements and Utility Improvements within six (6) months of the Closing Date; and (B) Road Improvements to Airport Road and the Railroad Improvements within fifteen (15) months of the Closing Date; and (iv) the final completion each Infrastructure Component no later than sixty (60) days following the applicable Infrastructure Component's required date of substantial completion, subject to the other terms and conditions herein. Notwithstanding the foregoing, to the extent that design, substantial completion and/or final completion of the Railroad Improvements is delayed due to the actions or inactions of CSX ("CSX Delays") and the Sellers have taken all reasonable actions to mitigate such CSX Delays, the applicable completion date shall be extended by the number of days equal to the duration of the CSX Delays. The Sellers shall notify the Company in writing of any claimed start date of a CSX Delays event.

(b) The Sellers shall not increase the scope of the work being performed beyond what is reasonably necessary to construct the Infrastructure Improvements if such scope increase is reasonably anticipated to delay the applicable substantial completion date of one or more of the Infrastructure Components. The Sellers shall notify the Company in writing of the date that each Infrastructure Component is substantially complete. For the purposes of this Section III, the term "substantial completion" shall mean placed in a condition of readiness such that the facilities may be used by the general public for their intended purposes.

3.2 Cooperation and Coordination.

(a) Except as may be otherwise expressly provided for with respect to the Railroad Improvements, the Sellers shall keep the Company reasonably informed of the schedule, status and progress of the design, construction, accrued costs of, and expenditure of funds related to, the Infrastructure Improvements. Upon reasonable advance notice to the Sellers, the Company and its agents shall have the right to reasonable access and inspection of the Infrastructure Improvements prior to substantial completion.

(b) In addition to the notice obligations and completion date extension rights set forth in Section 3.1(a), if the Sellers at any time reasonably anticipate a delay of

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more than thirty (30) days to the required substantial completion and/or final completion of any Infrastructure Component, then Sellers shall notify the Company of such anticipated delay. Such notice shall also include a reasonably detailed plan which describes how the Sellers will address and mitigate such delays. The Sellers agree that they are solely responsible for causing the design, construction and completion of the Infrastructure Improvements, unless as otherwise specified herein.

(c) On or before the Closing Date, the Sellers shall cause the Acknowledging Party to deliver correspondence to the Company: (i) Acknowledging its agreement to design and complete the Electric Improvements, Gas Improvements, and Utility Improvements in coordination with the Sellers; and (ii) agreeing (A) that the schedules applicable to the Electric Improvements, Gas Improvements, and Utility Improvements are reasonable; (B) to cooperate and coordinate with the Sellers to ensure the timely completion of the Electric Improvements, Gas Improvements, and Utility Improvements; and (C) to its on-going repair and maintenance obligations for the Electric Improvements, Gas Improvements, and Utility Improvements, as set forth in Section 3.8.

(d) On or before the date the Railroad Improvements and Company Railroad Improvements are Placed in Service, the Sellers shall cause the granting of non-exclusive usage rights for the benefit of the Company, on terms and conditions that are reasonably acceptable to the Sellers and the Company, which may be necessary for the Company to use the Railroad Improvements and the Company Railroad Improvements. Prior to securing the grants of such non-exclusive rights, the Sellers shall provide the Company with the opportunity to review and comment on the documentation of such grants. Such grants shall be at no cost to the Company.

(e) The Sellers agree that they (and/or their instrumentality(ies), as may be applicable) will seek, and the Company acknowledges that the Sellers plan to seek, to obtain industrial development grant funds from the Alabama State Industrial Development Authority, in connection with improvements related to a project site of interest to the Company. The Company and Sellers agree to reasonably cooperate with one another in connection with the Sellers' efforts to obtain such industrial development grant funds (except that, with respect to the same, such reasonable cooperation does not require the expenditure of additional monies by the Sellers or Company), and with the Company's desire to obtain those grant funds or their equivalent amount. Both the Company and the Sellers agree that the failure to secure such industrial development grant funds will not constitute a default hereunder by any of the parties hereto.

3.3 Sources of Funds for Infrastructure Improvements.

(a) The Sellers estimate that the budget for the design and construction of the Infrastructure Improvements is approximately \$2.403 million. The budget and sources of funding for the Infrastructure Improvements are set forth in Exhibit C. The Sellers shall be solely responsible for identifying and securing sufficient funds to complete the

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Infrastructure Improvements as and when required under this Agreement, except as provided in Sections 3.3(c) and 3.3(d). The Sellers agree that within thirty (30) days of receipt of the Notice to Proceed, they shall have filed applications and supporting materials in order to secure the Alabama Department of Transportation Industrial Access Grant and the Alabama Department of Economic and Community Affairs Grant, as referenced in Exhibit C.

(b) On or before the Closing Date, the Sellers shall establish a segregated account and shall deposit the following funds into said account, to be removed only in conjunction with Sellers' performance of duties hereunder: (i) the balance of the sale proceeds received by Sellers pursuant to the Purchase Agreement to be used for Railroad Improvements, (ii) any portion of the TVA Invest Prep grant paid to and received by Sellers (reasonably believed by Sellers at the time of this Agreement to be approximately \$100,000.00) which is to be applied for Road Improvements, (iii) \$50,000.00 (of ADECA grant matching funds) to be used for Railroad Improvements, and (iv) \$48,960.00 (to be used to pay the real estate commission on the Property). Any interest that accrues on the funds in the segregated account shall inure to the benefit for the Sellers. At no time shall Sellers seek disbursement of funds from the segregated account for any purpose other than to pay for costs related to the Infrastructure Improvements. In addition, neither of the Sellers shall pledge or encumber any segregated funds for any purpose other than in connection with funding the Infrastructure Improvements. The Sellers shall provide the Company with monthly statements of the disbursements from the segregated account until such time as all Infrastructure Improvement costs have been fully and unconditionally paid. Upon the full payment for the Infrastructure Improvements, the Sellers shall be permitted to close the segregated account and disburse any remaining funds in accordance with law and/or applicable contractual obligations.

(c) The Sellers estimate that the costs of the Railroad Improvements are approximately \$1.116 million, as set forth on Exhibit C. Notwithstanding anything herein to the contrary, in the event that there are Railroad Improvements design and construction costs in excess of \$1.116 million ("Railroad Excess Costs"), such Railroad Excess Costs shall be shared equally by the City, the County and the Company.

Because the Company may have to pay a portion of the Railroad Excess Costs, the Sellers shall permit the Company to review and comment on plans, specifications, pre-qualification of contractors and prime contractors, bid packages (prior to transmittal), construction means and methods and other construction matters related to the Railroad Improvements. The Company shall also receive reasonable advance notice of and shall be permitted to participate in material conference calls and meetings regarding the design and construction of the Railroad Improvements.

The Company, having participated in construction matters related to the Railroad Improvements, shall pay its contribution for such Railroad Excess Costs to the Sellers prior to the same being due by third parties for such costs. However, in the interest of speed related to the payment of Railroad Excess Costs, the Company may deposit thirty-three percent (33%) of any estimated Railroad Excess Costs into the segregated

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account established by Sellers pursuant to Section 3.3(b). Such funds may then be available for Sellers to use with respect to payment of the Railroad Excess Costs. In the event that the final accounting of the Railroad Excess Costs shows that such deposited amount (i) exceeds the Company's share of the actual Railroad Excess Costs, Sellers shall refund any surplus amounts to the Company within sixty (60) days of such final accounting or (ii) is less than the Company's share of the actual Railroad Excess Costs, the Company shall remit such shortfall amount to the City within sixty (60) days of such final accounting. The Company shall be permitted to review such final accounting upon reasonable notice to the Sellers.

(d) Notwithstanding anything herein to the contrary, should any action or inaction by the Company result (i) in the loss of any amount of funding for the Infrastructure Improvements provided for herein, then the Company shall be responsible for securing sufficient replacement funds and making them available to the Sellers to complete the Infrastructure Improvements as and when required under this Agreement; or (ii) in the City and/or County's repayment and/or reimbursement to any third party entity of funds (or a demand for repayment and/or reimbursement by such third party) that were expended in connection with the Infrastructure Improvements, then the Company shall be responsible for fully reimbursing the City and/or County for any such repayment and/or reimbursement (or in satisfying such demand for repayment or reimbursement by such third party). The Sellers agree that the Company has no responsibility or obligation to fund any of the Infrastructure Improvements except as set forth in these Sections 3.3(c) and 3.3(d).

In connection with the above, the Company expressly recognizes that the ADECA funding of \$250,000.00, as shown in **Exhibit C**, is expressly made contingent upon, among other things, (i) the Company's employment of at least 51% low and moderate income persons, and (ii) the Company's full-time employment of 35 persons within one year of the completion of the Rail Improvements.

3.4 Standard of Care. The Sellers shall monitor and manage the design and construction of the Infrastructure Improvements in conformity with applicable standards, and in a manner consistent with the standard of care applicable to units of government in the State of Alabama for projects that are of a scope, quality and complexity comparable to the Infrastructure Improvements.

3.5 Insurance. Any bid package for the Infrastructure Improvements issued by the Sellers shall include a requirement that where the general contractor or subcontractor is performing work on the Property for any reason, the Sellers shall cause the general contractor and subcontractors to name the Sellers, the Company, and any other person or entity reasonably designated by the Company, including any of the foregoing's shareholders, officers, directors, agents and employees as additional insureds, with respect to any commercial general liability insurance of such general contractor or subcontractor. Each such designation as an additional insured shall stipulate that such insurance is primary and is not additional to, or contributing with, any other insurance carried by, or for the benefit of the additional insureds. The Sellers shall use good faith

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efforts to ensure that this requirement is complied with by such general contractors and subcontractors.

3.6 Performance Bond. The Sellers shall require any general contractor which performs any of the work on the Infrastructure Components to provide a performance bond as is required by state law.

3.7 Construction Easement(s) and License(s). The Sellers do not anticipate a need for the Company to grant any easements or licenses over, under or through the Property in order to design, construct or maintain any of the Infrastructure Improvements (except with respect to Electric Improvements which will extend across the Property to the "Electric Transformer" as depicted on **Exhibit C**). Notwithstanding the foregoing, the Company shall grant to Sellers or their designees, at no cost to Sellers, any permanent or temporary easements or licenses which are reasonably required for the Sellers to perform their obligations pursuant to this Agreement. The Company shall not be obligated to grant any easements or licenses which unreasonably interfere with its construction upon, use of or operations on the Property. The location, scope and size of the said temporary easements or licenses shall be determined by Sellers and its agents and representatives and shall be reasonably acceptable to the Company, which acceptance may not be unreasonably withheld. The Sellers, at their expense, shall have any such easements or licenses prepared for approval and execution by appropriate officials of the Company, which approval and execution shall not be unreasonably withheld, and which easements or licenses must be executed and conveyed to Sellers, and recorded in the public records of Limestone County, Alabama as necessary, before construction of the applicable Infrastructure Component shall commence.

3.8 Maintenance. Upon completion of the Infrastructure Improvements, the Sellers shall: (a) take all actions necessary or desirable to cause each Infrastructure Component to be available for public use, as may be legally regulated and supervised by Sellers; and (b) be responsible for and pay all costs of the maintenance and repair of the Road Improvements to the same extent and in the same manner as the Sellers maintain and repair other similar public infrastructure. Athens Utilities shall be responsible for and pay all costs of the maintenance and repair of the Gas Improvements, Electric Improvements and Utility Improvements to the same extent and in the same manner as Athens Utilities maintains and repairs other similar public infrastructure. To the extent consistent with the manner in which the Sellers pay costs of maintenance and repair of same, the Sellers shall be responsible for and pay all costs of the maintenance and repair of the Rail Improvements.

3.9 Utility Service. The construction of the Electric Improvements, Gas Improvements, and Utility Improvements do not relieve the Company from adhering to the City's generally applicable rules, regulations, pricing, and policies for the provision of such electric, gas, water, and sewer service, on the same basis as any other industrial or commercial customer.

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3.10 Contingency of Sellers' Obligations. The Company acknowledges the that Sellers' obligation to perform their obligations pursuant to this Agreement are expressly contingent upon the Company's delivery of the Notice to Proceed, as that term is defined in the Purchase Agreement. Unless and until the Company delivers such Notice to Proceed, the Sellers shall be under no obligation to undertake design and construction of the Infrastructure Improvements.

SECTION IV COMPANY OBLIGATIONS

4.1 Siting of the Project. The Company acknowledges that the citizens of the City and the County anticipate the receipt of substantial economic benefit to their local economies in return for the investment of public money in the Project as herein set forth, and the Company agrees to diligently prosecute the implementation of the Project on the Property by commencing construction on the Property not later than the date that is eight (8) months from the Closing Date (the "Construction Commencement Date"), and commencing operations at the Project not later than the date that is twenty-four (24) months from the Closing Date (the "Operations Commencement Date"). The Company shall site the Project on the Property. For the purposes of this Section 4.1, the term "commence construction" shall mean mass grading of the Property. For purposes of this Section 4.1, the term "commence operations" shall mean that operations at the Project as described in the Recitals have commenced and that the Facility is producing specialty plastics or related products in commercial quantities, or is performing related services. The Company shall deliver written notice to the Sellers of the Operations Commencement Date. within thirty (30) days of such commencement date. The Company shall be permitted to extend both the Construction Commencement Date and the Operations Commencement Date by up to ninety (90) days by delivering written notice thereof to the Sellers.

4.2 Required Economic Results.

(a) The Company shall invest at least \$30 million in the Project before a date that is twenty-four (24) months from the Closing Date, which amount shall include but not be limited to, land acquisition and costs related thereto, hard and soft construction costs, furniture, fixtures and equipment acquisition and installation, Project commissioning and training of new employees (the "Investment Commitment"). The Company shall certify that it has, or has not, met the Investment Commitment by furnishing a certificate, signed by an executive officer of the Company, to the City and County within one hundred eighty (180) days of the Operations Commencement Date. Such certification shall contain reasonable supporting information and materials as would enable the City and County to confirm the investment level so certified by the Company for the Project.

(b) In addition, the Company shall employ Full-Time Employees at the Project at an average wage of at least \$16.25 per hour, exclusive of benefits (the "Minimum Average Hourly Wage"), in accordance with the following schedule (the creation of the

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number of Full-Time Employees at the Minimum Average Hourly Wage is collectively referred to as the “Jobs Commitment”):

| | Project Year 1 | Project Year 2 | Project Year 3 | Project Year 4 | Project Year 5 | Project Year 6 | Project Year 7 | Project Year 8 | Project Year 9 | Project Year 10 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Cumulative Full-Time Employees at the Project | 35 | 43 | 50 | 50 | 62 | 62 | 75 | 75 | 75 | 100 |

For purposes of the above schedule, a Project Year is defined as each one-year period starting on the date of the first day of the month next following the Operations Commencement Date and ending one year thereafter. For example, if the Operations Commencement Date is January 15, 2016, then Project Year 1 is the one year period starting on February 1, 2016 and ending on January 31, 2017. As a further example, pursuant to the above schedule, the Company must employ at least 35 Full-Time Employees during Project Year 1. For the purposes of determining the Company’s compliance with its Minimum Average Hourly Wage commitment, the Company shall be permitted to use the wages of the highest earning, required number of Full-Time Employees during a Project Year. For example, if the Company employs 49 Full-Time Employees in Project Year 2, the Company shall be permitted to use the highest paid 43 Full-Time Employees in Project Year 2 to calculate the Company’s compliance with its Minimum Average Hourly Wage commitment.

(c) For each Project Year, commencing with Project Year 1 through and including Project Year 10 (the “Jobs Commitment Period”), the Company shall certify that it has, or has not, met the Jobs Commitment for such Project Year by furnishing a certificate, signed by an executive officer of the Company, to the City and County on or before the date that is one hundred fifty (150) days following the end of such Project Year (except in Project Year 10 in which case the certificate shall be furnished within ninety (90) days of the end of the Project Year). Such certification shall contain reasonable supporting information and materials as would enable the City and County to confirm the employment level and Minimum Average Hourly Wage so certified by the Company for such Project Year (for each Project Year, a “Certified Employment Level”), plus the application of any Excess Employees, as defined below. For the purposes of compliance with such certification obligations, the Company shall be permitted to submit a duplicate of any Certificate of Compliance that the Company is required to submit to ADECA pursuant to the Company’s grant agreement with ADECA, so long as such certificate provides the City and County with the information required above.

(d) For each Project Year, the Company’s Certified Employment Level shall be determined based on (i) a monthly average, by calculating the sum of the number of Full-Time Employees employed at the Project on the last day of each month during the applicable Project Year, and dividing such sum by 12 plus (ii) the number of applied Excess Employees, if any. If the actual, average number of Full-Time Employees exceeds the requirement for any Project Year (each Full-Time Employee in excess of the required number is referred to as an “Excess Employee”), the Company shall be permitted to carry forward, for up to three years, an Excess Employee to a subsequent

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Project Year for purposes of determining compliance with the Job Commitment. However, an Excess Employee from any given Project Year shall only be used (or “counted”) once to offset a shortfall in the Job Commitment in a subsequent Project Year. In addition, the Company shall not be permitted to carry forward an Excess Employee solely for the purpose of increasing the number of Excess Employees in any given Project Year. If and when the Company does include one or more Excess Employees as part of its certification required by Section 4.2(c), the Company shall clearly identify such Excess Employees in the certification. The Sellers agree for the purposes of determining compliance with the Company’s Jobs Commitment obligations during any Project Year, up to 20% of the minimum required employees may be Contingent Employees and up to 10% of the minimum required employees may be aggregated Part-Time Employees.

(e) In recognition of possible variations in employment levels during the course of 10 Project Years, the Company shall be permitted to claim two Permitted Employment Shortfalls, as defined below. If the Company claims a Permitted Employment Shortfall, it shall not be deemed in default under this Agreement and no Employee Shortfall Payment shall be due. A “Permitted Employment Shortfall” shall mean the Company has not met the jobs component of the Certified Employment Level for any Project Year but can certify to at least ninety percent (90%) of the required employment level for such Project Year. For example, if in Project Year 5, the Company certifies 56 Full-Time Employees, it may claim a Permitted Employment Shortfall for Project Year 5 and, provided it is compliance with the Minimum Average Hourly Wage commitment, the Company shall be deemed in compliance with this Agreement. The Company shall be permitted to claim only two Permitted Employment Shortfalls and the Company shall not be permitted to claim a Permitted Employment Shortfall in Project Year 1 or Project Year 10.

(f) If any of the calculations set forth in this Section 4.2 result in a fraction, any fractional result of 0.5 or more shall be rounded up to the next whole number and any fractional result of less than 0.5 shall be rounded down. For example, in Project Year 5, 20% of the 62 required employees may be Contingent Employees, or 12.4 employees. In such a case, the maximum number of Contingent Employees would be rounded down to 12 Contingent Employees in Project Year 5 for the Jobs Commitment compliance purposes.

(g) No part of this Section 4.2 shall be interpreted to limit, amend, or abridge the Company’s obligation to satisfy any other job-related requirements that may be imposed pursuant to any other agreement (such as with respect to ADECA grant funding).

4.3 Jobs Commitment Clawbacks

(a) In the event that the Company does not meet one or both components of the Jobs Commitment at the end of any Project Year and the Company does not claim a Permitted Jobs Shortfall, the Company shall be required to make a payment to the City in an amount that is the greater of the Employee Shortfall Payment or the Wage

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Shortfall Payment, as each term is defined below. In any Project Year in which the Company does not claim a Permitted Jobs Shortfall, if the Jobs Commitment has not been satisfied as a result of a shortfall in the cumulative Full-Time Employees at the Project (including any Excess Employees) (an "Employee Shortfall"), then an amount equal to $(\$50,000) \times (1 - (\text{Certified Employment Level for the applicable Project Year divided by the required number of Full-Time Employees for the Jobs Commitment for the applicable Project Year}))$ (such payment, an "Employee Shortfall Payment"). If the Jobs Commitment is not satisfied as a result of the failure of the Company to achieve the Minimum Average Hourly Wage, then an amount equal to $(\$50,000) \times (1 - (\text{the actual Minimum Average Hourly Wage achieved by the Company for the applicable Project Year divided by the required Minimum Average Hourly Wage for the applicable Project Year}))$ (such payment, a "Wage Shortfall Payment"). If a Jobs Shortfall Payment or a Wage Shortfall Payment is due, such payment shall be made to the City within sixty (60) days of the final determination that a payment is due. Any complete payment made shall be in full satisfaction of damages to the Sellers for an Employee Shortfall and/or Wage Shortfall. In no event shall the Company be obligated to make recapture payments which exceed Five Hundred Thousand Dollars (\$500,000.00) in the aggregate. The Company's obligation to make any such payments shall survive the Term of the Agreement.

(b) If, for any reason whatsoever other than a casualty or condemnation, the Company ceases operations of the Project prior to the end of Project Year 10, then the Company shall be obligated to make a payment to the City in an amount equal to the number of remaining Project Years (or partial year) in the Jobs Commitment Period as of the date of cessation of operations multiplied times \$50,000.00. The Company shall make such payment to the City within sixty (60) days of the date of cessation of operations and thereafter this Agreement shall terminate without further action by either Party. Such payment shall be the sole amount due to the Sellers and no further Employee Shortfall Payment or Wage Shortfall Payment shall be due, dating from such cessation of operations of the Project.

4.4 Contingency of the Company's Obligations. The Sellers acknowledge that the Company's obligation to perform its obligations pursuant to this Agreement are expressly contingent upon the Company's delivery of the Notice to Proceed, as that term is defined in the Purchase Agreement. Unless and until the Company delivers such Notice to Proceed, the Company shall be under no obligation to perform its obligations hereunder.

4.5 Company Railroad Improvements. The Company shall cause: (i) the design (subject to the approval of the Sellers, which approval shall not be unreasonably withheld), construction, substantial completion and final completion of the Company Railroad Improvements; (ii) the Company Railroad Improvements to be designed and constructed (including but not limited to procurement of contracts) in accordance with all Laws; (iii) the final completion of the Company Railroad Improvements within twenty (20) months of the Closing Date, subject to the other terms and conditions herein. The Company shall be solely responsible for the cost of the design, construction, and completion of the Company Railroad Improvements. The Sellers shall provide the

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Company with construction easement(s) permitting the Company to enter upon Sellers' property for the purpose of constructing the Company Railroad Improvements. Although the Company shall design and construct the Company Railroad Improvements, upon their final completion and in any event, no later than twenty (20) months after the Closing Date, the Sellers shall have all ownership and control of the Company Railroad Improvements. The Company shall keep the Sellers reasonably informed of the schedule, status and progress of the design, construction, accrued costs of, and expenditure of funds related to, the Company Railroad Improvements. The Company shall monitor and manage the design and construction of the Company Railroad Improvements in conformity with applicable standards, and in a manner consistent with the standard of care applicable to private industrial units in the State of Alabama for projects that are of a scope, quality and complexity comparable to the Company Railroad Improvements. The Company, and any of its general contractors or subcontractors, performing work on the property owned by the City and/or County in connection with the Company Railroad Improvements shall name the Sellers, and any other person or entity reasonably designated by the Sellers, including any of the Sellers' officers, directors, agents and employees as additional insureds, with respect to any commercial general liability insurance of the Company or such general contractor or subcontractor. Each such designation as an additional insured shall stipulate that such insurance is primary and is not additional to, or contributing with, any other insurance carried by, or for the benefit of the additional insureds. The Company shall use good faith efforts to ensure that this requirement is complied with by any such general contractors and subcontractors.

SECTION V COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE COMPANY

5.1 General. The Company represents and warrants to each of the Sellers that:

(a) The Company is a corporation duly formed, validly existing and in good standing under the laws of the State of Michigan, and is duly licensed and duly qualified as a foreign corporation and in good standing to do business in the State of Alabama.

(b) The Company has or will acquire all material governmental licenses, authorizations, consents and approvals required to carry on its business in Alabama and relating to the Project.

(c) The execution, delivery and performance by the Company of this Agreement are within the Company's corporate powers, have been duly authorized by all necessary corporate action, require no action by or in respect of, or filing with, any governmental body, agency or official except as required by law and do not contravene any provision of applicable law or regulation or of the Company's Articles of Incorporation or By-Laws of the Company.

(d) The individual executing this Agreement on behalf of the Company is authorized to bind the Company, execute this Agreement and deliver it on behalf of the Company.

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(e) This Agreement constitutes a valid and binding agreement of the Company.

5.2 Survival of Covenants. All warranties, representations, and covenants of the Company contained in this Section V or elsewhere in this Agreement shall be true, accurate, and complete at the time of the Company's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the Parties hereto and be in effect throughout the Term.

SECTION VI COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE SELLERS

6.1 General. The Sellers each individually represent and warrant to the Company that:

(a) Each of the Sellers has the authority to execute and deliver this Agreement and to perform their obligations as and when required hereunder.

(b) All legislative actions authorizing this Agreement, appropriating the funds necessary to fund the design and construction of the Infrastructure Improvements and authorizing the letting of contracts related to the design and construction of the Infrastructure Improvements: (a) were duly passed and approved after all required notices and public hearings; and (b) as of the date of the execution of this Agreement by all Parties, are in full force and effect without amendment or repeal.

(c) They collectively own, will own, or will acquire the right to all property necessary or desirable to undertake the Infrastructure Improvements and that such property is not encumbered in any manner that would interfere or hinder the completion of the Infrastructure Improvements as and when required by this Agreement.

(d) With the exception of payment of the purchase price by the Company pursuant to the Purchase Agreement, the Sellers has or will use its best efforts to secure the necessary funds to complete the Infrastructure Improvements as and when required hereunder and that all such funds, when secured, will be reserved and irrevocably committed for the benefit of the Sellers and the purposes and covenants agreed to herein.

(e) The individual executing this Agreement on behalf of each of the Sellers is authorized to bind the City or the County, as applicable, execute this Agreement and deliver it on behalf of the City or the County, as applicable.

(f) This Agreement constitutes a valid and binding agreement of each of the Sellers.

6.2 Survival of Covenants. All warranties, representations, and covenants of the Sellers contained in this Section VI or elsewhere in this Agreement shall be true, accurate, and complete at the time of the Sellers' execution of this Agreement, and shall

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survive the execution, delivery and acceptance hereof by the Parties hereto and be in effect throughout the Term.

SECTION VII DEFAULT AND REMEDIES

7.1 Events of Default. If one or more of the following events shall have occurred and are continuing after notice of the specific alleged default and a reasonable opportunity to cure such default, then the Sellers and/or Company may declare the other party in default (each a "Default") under this Agreement and the provisions of this Section VII shall apply.

7.2 Company Defaults. Each of the following shall be a Default of the Company subject to the cure rights set forth in Section 7.4:

(a) The Company shall fail to observe or perform any material covenant or agreement contained in this Agreement, including any material covenant or agreement set forth in the exhibits attached hereto; or

(b) Any representation, warranty, certificate or statement made by the Company in this Agreement or in any certificate, report, financial statement or other document delivered pursuant to this Agreement shall prove to have been fraudulent or materially inaccurate when made; or

(c) The Company shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing; or

(d) An involuntary case or other proceeding shall be commenced against the Company seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceedings shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against the Company under the federal bankruptcy laws as now or hereafter in effect; or

7.3 Sellers Default.

(a) Either or both of the Sellers shall fail to observe or perform any material covenant or agreement contained in this Agreement, including any material covenant or agreement set forth in the exhibits attached hereto; or

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(b) Any representation, warranty, certificate or statement made by either of the Sellers in this Agreement or in any certificate, report, financial statement or other document delivered pursuant to this Agreement shall prove to have been fraudulent or materially inaccurate when made.

7.4 Cure Rights. Any Party claiming an alleged Default pursuant to this Agreement shall provide written notice to the alleged defaulting Party of such alleged Default and demanding a cure of such Default. The alleged defaulting Party shall have 10 days after receipt of such written notice to cure the alleged Default; provided, however, if such default cannot be cured in 10 days, the alleged defaulting Party shall have a reasonable period of time to cure such alleged Default. If the alleged Default is not cured within the applicable time period, such Party shall be deemed in default and the non-defaulting Party may exercise the remedies provided for in this Section VII.

7.5 Remedies upon Default. Each Party shall have all rights in law and in equity to enforce the terms of this Agreement and, where applicable and not otherwise expressly provided for herein this Agreement, to recover damages resulting from one or more Defaults hereunder. Notwithstanding the foregoing, the Sellers agree and acknowledge that their sole remedies for an Employment Shortfall, Wage Shortfall and/or cessation of operations are set forth in Section IV.

7.6 Enforcement of Agreement Terms. If either party is successful in enforcement of the terms of this Agreement, then such party shall have the right to obtain from the non-prevailing party, as an additional remedy, reasonable attorneys' fees, consultants' fees, and litigation costs and expenses related to the proceeding.

SECTION VIII NOTICE

8.1 Notices. All notices required to be given or given hereunder shall be in writing or by telecommunication device capable of creating written record, including without limitation, facsimile or electronic mail, and shall be deemed to have been received when delivered by hand, courier, or on the date of transmission if delivered via facsimile or electronic, or if mailed, then five (5) days after deposit of the same in the United States Mail, and addressed to the receiving Party at the following addresses:

| | |
|---------------|--|
| If to Seller: | City of Athens, Alabama Attn: Mayor, City of Athens and City Clerk P.O. Box 1089 Athens, AL 35612 Facsimile: 256.233.8721 Electronic Mail: rmars@athensal.us and abarnes@athensal.us |
|---------------|--|

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and to: Limestone County Commission
ATTN: Chairman and County Administrator
310 W. Washington St.
Athens, AL 35611
Phone: 256-233-6400
Fax: 256-233-6403
Electronic Mail: stanley.menefee@limestonecounty-al.gov; and pam.ball@limestonecounty-al.gov

If to Buyer: Mr. Prasad Puttagunta
Asahi Kasei Plastics North America, Inc.
900 East Van Riper Road
Fowlerville, Michigan 48836
Facsimile: (517) 223-2002
Electronic Mail: npputtagunta@akplastics.com

With a copy to: Andrew P. Scott, Esq.
Dykema Gossett PLLC
10 South Wacker Drive
Chicago, Illinois 60606
Facsimile: (312) 627-2302
Electronic Mail: apscott@dykema.com

SECTION IX GENERAL PROVISIONS

9.1 No Waiver. No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

9.2 Savings Clause. Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision shall be invalid under applicable law, such provision shall be ineffective to the extent of such invalidity without invalidating the remaining provisions of this Agreement.

9.3 Force Majeure. If any Party fails to perform timely any of the terms, covenants or conditions of this Agreement to be performed by such Party and such failure is due in whole or in material part to a Force Majeure Event, then such Party shall not be deemed in default under this Agreement as a result of such failure and any time for performance by such provided for herein shall be extended by the period of delay resulting from such cause. Any party claiming a delay pursuant to this Section 9.3 shall promptly notify the other Parties hereto of the claim and the anticipated duration of the delay. For purposes of this section, a "Force Majeure Event" includes any change in Laws, strike, unmediated lockout, civil disorder, failure of power, inability or delay in procuring materials or necessary approvals and/or permits, riots, insurrections, war, fuel shortage,

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acts of God, acts of terrorism, weather, lightning, earthquakes, fires, storms, tornados, floods, washouts, civil disturbances, and/or any other causes, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension, which restrict, threaten, obstruct, impede or interfere with the Party's ability to timely perform, and which by the exercise of due diligence, such party is or would have been unable to prevent or overcome. The term "Force Majeure Event" likewise includes (a) disputes, walkouts, or delays between the Sellers, its engineers, general contractor and subcontractors engaged to perform work on the Infrastructure Improvements, (b) any unforeseen soil or natural conditions that delay or prevent construction of the Infrastructure Improvements and (c) in those instances where a party is required to obtain or furnish materials and supplies for the purpose of constructing or maintaining facilities for such purpose, the inability of such party to acquire, or the delays on the part of such party in acquiring, at reasonable costs, and after the exercise of reasonable diligence, such materials and supplies.

9.4 Entire Agreement. This Agreement represents the full and complete agreement between the parties with respect to the matters addressed herein and there are no oral agreements or understandings between the parties.

9.5 Governing Law. This Agreement shall be construed in accordance with and governed by the law of the State of Alabama without regard to choice of law provisions.

9.6 Multiple Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

9.7 Amendments. This Agreement is the entire contract between and among the Parties relating to the subject matter of construction of the Infrastructure Improvements necessary for the Project and the Company siting of the Project on the Property. This Agreement supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the Sellers and the Company, and may be modified or amended only by a written instrument executed by the Parties. The Parties agree that any amendment hereto only requires the written agreement from the Company, the City and the County, and no other party.

9.8 No Joint Venture. Nothing in this Agreement, nor any actions of the parties to this Agreement, shall be construed by the Parties or any third party to create the relationship of a partnership, agency or joint venture between or among such parties.

9.9 Successors and Assigns. The terms, conditions, covenants and restrictions of this Agreement shall extend and apply to and bind the successors and assignees of the Sellers and the successors and assigns of the Company.

9.10 Further Assurances. The Sellers and the Company each covenants and agrees that each shall do, execute, acknowledge and deliver or cause to be done, executed and delivered, such agreements, instruments and supplemental documents and such further acts, instruments, pledges and transfers as may be reasonably required for the

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better clarifying, assuring, mortgaging, conveying, transferring, pledging, assigning and confirming unto the Sellers or the Company or other appropriate parties, all and singular, the rights and obligations agreed, conveyed, assigned, transferred and pledged under or in respect to this Agreement.

9.11 Termination. In the event the Company has not delivered the Notice to Proceed within ninety (90) days of the Effective Date of this Agreement, either Party may terminate this Agreement by written notice to the other Party, and thereafter, neither party shall have any further obligations hereunder.

IN WITNESS WHEREOF, the parties executed this Agreement the day and year first above written.

SELLER:
CITY OF ATHENS, ALABAMA

By: _____
Name: _____
Date: _____

Attest:

City Clerk

LIMESTONE COUNTY, ALABAMA

By: _____
Its: _____
Date: _____

Attest:

County Administrator

THE COMPANY:

ASAHI KASEI PLASTICS NORTH AMERICA, INC., a Michigan corporation

By: _____
Its: _____
Date: _____

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Lot No. 1 of the Final Plat of a Resubdivision of Lot 1 of North Elm Industrial Park, recorded at Plats Book H, Page 412 in the Office of the Judge of Limestone County, Alabama

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EXHIBIT C

PROJECT BUDGET AND SOURCES OF FUNDS

| Source | Use |
|---|----------------|
| Wilkinson St./Airport Rd. Extension | |
| TVA Invest Prep Grant | 250,000 |
| Industrial Access Grant | <u>575,000</u> |
| State of Alabama | 825,000 |
| Electric Lines | |
| Athens Utilities | 100,000 |
| Natural Gas Lines | |
| Athens Utilities | 50,000 |
| Water & Sewer | |
| City of Athens | 131,808 |
| Limestone County | <u>131,808</u> |
| | 263,616 |
| Railroad | |
| City of Athens (35.5 acres x \$16,000) | 568,000 |
| Limestone County (15.5 acres x \$16,000) | 248,000 |
| ADECA Grant | 250,000 |
| ADECA Match (Limestone County) | <u>50,000</u> |
| | 1,116,000 |
| Real Estate Commission (6% of \$816,000) | |
| Limestone County | 48,960 |
| Grand Total | 2,403,576 |

The Chairman asked if there was any discussion. There was no discussion. The Chairman called the roll. Steve Turner, aye and Ben Harrison, aye. Motion carries unanimously.

Councilmember Wayne Harper introduced a Resolution concerning the contribution of money to Asahi Kasei Plastics North America, Inc. (On file for review upon request to the Athens City Clerk)

MOTION was made by Councilmember Chris Seibert to suspend the rules and seconded by Councilmember Joseph Cannon. Motion carried 5/0.

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Councilmember Jimmy Gill seconded the motion for the above stated Resolution. Motion carried 5/0.

Members of the Limestone County Commission and Athens City Council expressed their appreciation to Asahi for choosing our area.

There being no further business of the Athens City Council to come before the special joint meeting, the same was, upon motion by Councilmember Jimmy Gill and seconded by Councilmember Joseph Cannon, adjourned at 10:16 a.m.

Limestone County Commission Recessed at 10:16 a.m. until 10:00 a.m. on Wednesday, May 28, 2014, at the Washington Street Courthouse Annex, 310 West Washington Street, Athens, AL.